

Hearing Date: October 1, 2009 at 2:00 PM
Response Deadline: September 25, 2009 at 4:00 PM

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	: Chapter 11
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BH S&B HOLDINGS LLC, <u>et al.</u> ,	: Case No.: 08-14604 (MG)
	:
Debtors.	: Jointly Administered
	:
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**NOTICE OF HEARING ON DEBTORS' AND COMMITTEE'S
JOINT THIRD OMNIBUS OBJECTION TO ADMINISTRATIVE CLAIMS**
(Satisfied or Released Administrative Claims)

PLEASE TAKE NOTICE that, on August 28, 2009, the above-captioned debtors and debtors-in-possession (collectively, the "Debtors")¹ and the official committee of unsecured creditors appointed in these cases (the "Committee") filed their third omnibus objection (the "Objection") to administrative claims, relating to satisfied or released administrative claims, as detailed in the Objection.

PLEASE TAKE FURTHER NOTICE that a hearing (the "Hearing") on the Objection will be held before the Honorable Martin Glenn, United States Bankruptcy Court for the Southern District of New York, Room 501, One Bowling Green, New York, New York, on **October 1, 2009, at 2:00 PM (Prevailing Eastern Time).**

¹ The other Debtors in these cases are BHY S&B Intermediate Holdco LLC (Case No. 08-14605 (MG), EIN 26-3732361); BH S&B Retail LLC (Case No. 08-14606 (MG), EIN 26-2282554); BH S&B Lico LLC (Case No. 08-14607 (MG), EIN 26-3445450); Heritage Licensing LLC (Case No. 08-14608 (MG), EIN 26-3473212); Fashion Plate Licensing LLC (Case No. 08-14609 (MG), EIN 26-3473238); Cubicle Licensing LLC (Case No. 08-14610 (MG), EIN 26-3445507); and BH S&B Distribution LLC (Case No. 08-14611 (MG), EIN 26-3382611).

PLEASE TAKE FURTHER NOTICE that you should locate your name and claim in Exhibit A to the Objection.

PLEASE TAKE FURTHER NOTICE that responses, if any, to relief requested in the Objection must (i) be in writing, state the name of the objector, identify its interest in these cases, and set forth the grounds for the objection and the legal basis therefor and (ii) be filed with this Court and served in a manner so as to be received by the following parties, together with proof of service, on or before **September 25, 2009, at 4:00 PM (Prevailing Eastern Time)**: (a) counsel to the Debtors, Cahill Gordon & Reindel LLP, Eighty Pine Street, New York, New York 10005 (Attn: Joel H. Levitin, Esq., and Richard A. Stieglitz Jr., Esq.); (b) the United States Trustee, 33 White Hall Street, Suite 2100, New York, New York 10004 (Attn: Paul Schwartzberg, Esq.); and (c) counsel to the Committee, Arent Fox LLP, 1675 Broadway, New York, New York 10019 (Attn: Robert M. Hirsh, Esq.).

Dated: New York, New York
August 28, 2009

Respectfully submitted,

CAHILL GORDON & REINDEL LLP

/s/ Richard A. Stieglitz, Jr.

Joel H. Levitin

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*Attorneys for the
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Attorney for the Committee

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Attorneys for the Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
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**DEBTORS' AND COMMITTEE'S
JOINT THIRD OMNIBUS OBJECTION TO ADMINISTRATIVE CLAIMS
(Satisfied or Released Administrative Claims)**

The above-captioned debtors and debtors-in-possession (collectively, the “Debtors”)¹ and the official committee of unsecured creditors appointed in these cases (the “Committee”), by and through their undersigned attorneys, hereby jointly file this third omnibus objection (the “Objection”) to the administrative claims listed on Exhibit A (the “Satisfied or Released Claims”) attached hereto. In support of the relief requested in this Objection, the Debtors

¹ The other Debtors in these cases are BHY S&B Intermediate Holdco LLC (Case No. 08-14605 (MG), EIN 26-3732361); BH S&B Retail LLC (Case No. 08-14606 (MG), EIN 26-2282554); BH S&B Lico LLC (Case No. 08-14607 (MG), EIN 26-3445450); Heritage Licensing LLC (Case No. 08-14608 (MG), EIN 26-3473212); Fashion Plate Licensing LLC (Case No. 08-14609 (MG), EIN 26-3473238); Cubicle Licensing LLC (Case No. 08-14610 (MG), EIN 26-3445507); and BH S&B Distribution LLC (Case No. 08-14611 (MG), EIN 26-3382611).

respectfully represent as follows:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue of these cases and this Objection in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicate for the relief requested herein is Bankruptcy Rule 3007.

INTRODUCTION

2. On November 19, 2008 (the “Petition Date”), the Debtors each filed with this Court separate, voluntary petitions for relief under Chapter 11 of the Bankruptcy Code, and on November 21, 2008, the Court entered an order jointly administering the Debtors’ cases. The Debtors continue to manage their properties and operate their business as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

3. On November 26, 2008, the Office of the United States Trustee appointed the Committee. No trustee or examiner has been appointed in these cases.

4. Prior to the Petition Date, the Debtors determined that the appropriate course of action to maximize value for the benefit of all of their stakeholders in the current difficult retail market was an orderly liquidation in Chapter 11, and to that end, they commenced “going out of business” sales in their stores. The Debtors concluded these sales as of January 16, 2009, and they are currently winding down their estates, including reconciling outstanding administrative claims.

FACTUAL BACKGROUND AND GROUNDS FOR OBJECTION

5. On February 11, 2009, the Court entered an order establishing, among other things, March 30, 2009, at 5:00 PM (Prevailing Eastern Time), as the last date and time for creditors, other than governmental units, to timely file proofs of claim (each, a “Proof of Claim”)

based on, among other things, purported administrative claims against the Debtors, under Bankruptcy Code § 503(b).

6. The Debtors have reviewed each of the Proofs of Claim related to the Satisfied or Released Claims, and they have concluded that either the underlying obligation relating to each such Proof of Claim has been settled, or the Proof of Claim has otherwise been released during these cases, in each case in accordance with the Bankruptcy Code or applicable rules or orders of this Court.

7. If the Satisfied or Released Claims are not formally disallowed and expunged from the Debtors' claims register, the entities that filed the Satisfied or Released Claims could receive a double (or greater) recovery. Moreover, elimination of the Satisfied or Released Claims would enable the Debtors to maintain a claims register that more accurately reflects the claims that have been asserted against the Debtors and their estates, allowing them to proceed with the formal wind-down of their estates.

8. Bankruptcy Rule 3007(d)(5) permits omnibus objections in situations involving claims that have been satisfied or released. Accordingly, the Debtors and the Committee submit that the Court should disallow the Satisfied or Released Claims for the reasons set forth above.

NOTICE

9. In accordance with this Court's order approving notice procedures for these cases, notice of this Objection has been given via e-mail or first class United States mail, as appropriate, to the United States Trustee, counsel to the Debtors' agent and post-petition secured lender, those claimants that filed the Satisfied or Released Claims, and all other parties that have filed notices of appearance and requested service of papers in these cases. The Debtors and the Committee submit that no other or further notice need be given.

RESERVATION OF RIGHTS

10. Notwithstanding anything contained herein to the contrary, the Debtors and the Committee reserve the right to object to any of the Satisfied or Released Claims to the extent that they are not disallowed or expunged, in which case a separate notice would be given and hearing scheduled for any such objection. Furthermore, the Debtors and the Committee reserve the right to amend, modify, or supplement this Objection, in which case the subject objected-to claimants would receive notice, and a new hearing would be scheduled.

NO PRIOR APPLICATION

11. No previous request for the relief sought herein has been made to this or any other Court.

CONCLUSION

WHEREFORE, the Debtors and the Committee request that the Court enter an order, substantially in the form filed herewith, granting the relief requested herein and such other and further relief as may be just and proper under the circumstances.

Dated: New York, New York
August 28, 2009

Respectfully submitted,

CAHILL GORDON & REINDEL LLP

/s/ Richard A. Stieglitz, Jr.

Joel H. Levitin

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Debtors and Debtors-in-Possession*

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hirsh.robert@arentfox.com

Attorney for the Committee

Exhibit A

Satisfied or Released Claims¹

Claimant Name	Claim No.	Date Filed	Reason for Disallowance	Mailing Address	Admin Claim Amount	Settlement Amount	Asserted Nature	Debtor Name
City of Colorado Springs	578	3/25/2009	Settled	City of Colorado Springs - Sales Tax c/o City Attorney PO Box 1575, Mail Code 510 30 S. Nevada, Suite 501 Colorado Springs, CO 80901-1575	\$5,769.07	\$5,769.07	Administrative Priority	BH S&B Holdings LLC
Dayton Power & Light	287	3/02/2009	Settled	Dayton Power & Light PO Box 740598 Cincinnati, OH 45274-0598	\$3,236.75	\$3,236.75	Administrative Priority	BH S&B Holdings LLC
Empire HealthChoice Assurance, Inc. dba Empire Blue Cross Blue Shield	404	3/12/2009	Settled	Attn: Joseph T. Moldovan Morrison Cohen LLP 909 Third Ave. New York, NY 10022	\$84,106.42	\$84,106.42	Administrative Priority	BH S&B Holdings LLC

¹ The grounds to objecting to each satisfied or released claim can be found on pages 2-4 of the underlying objection.

Claimant Name	Claim No.	Date Filed	Reason for Disallowance	Mailing Address	Admin Claim Amount	Settlement Amount	Asserted Nature	Debtor Name
Genessee Valley Partners, LP	563	3/30/2009	Settled	Kelley Drye & Warren LLP 101 Park Ave. New York, NY 10178 Attn: James S. Carr, Esq. Robert L. LaHane, Esq. and Genessee Valley Partners, LP c/o Gregory Greenfield & Associates, Ltd. 124 Johnson Ferry Road, NE Atlanta, GA 30328 Attn: Melissa de Quesada	\$99,116.06	\$3,937.79	Administrative Priority	BH S&B Holdings LLC
The Hutensky Group agent for HRI/Glenbrook Commons, LLC t/a Glenbrook Commons, Fort Wayne, IN	96	2/05/2009	Settled	The Hutensky Group agent for HRI/Glenbrook Commons, LLC t/a Glenbrook Commons Fort Wayne, IN c/o Jeffrey Meyers, Esq. Ballard Spahr Andrews & Ingersoll, LLP 1735 Market Street, 51 st Floor Philadelphia, PA 19103	\$30,094.83	\$12,951.48	Administrative Priority	BH S&B Holdings LLC
Knoxville Utilities Board	310	2/26/2009	Settled	Knoxville Utilities Board PO Box 59017 Knoxville, TN 37950-9017	\$7,048.16	\$7,048.16	Administrative Priority	BH S&B Holdings LLC
Long Island Lighting Company dba LIPA	620	3/30/2009	Settled	Elisa M. Pugliese, Esq. 175 E. Old Country Road Hicksville, NY 11801	\$31,213.78	\$31,213.78	Administrative Priority	BH S&B Holdings LLC
Louisiana Department of Revenue	243	3/13/2009	Settled	Attn: Janet Cradeur Louisiana Department of Revenue PO Box 66658 Baton Rouge, LA 70896-6658	\$25,655.58	\$25,655.58	Administrative Priority	BH S&B Holdings LLC

Claimant Name	Claim No.	Date Filed	Reason for Disallowance	Mailing Address	Admin Claim Amount	Settlement Amount	Asserted Nature	Debtor Name
MidAmerican Energy	227	2/27/2009	Settled	MidAmerican Energy Co. PO Box 4350 Credit Davenport, IA 52808-4350	\$10,107.95	\$10,107.95	Administrative Priority	BH S&B Retail LLC
MidAmerican Energy	278	2/27/2009	Settled	MidAmerican Energy Co. PO Box 4350 Credit Davenport, IA 52808-4350	\$2,856.38	\$2,856.38	Administrative Priority	BH S&B Retail LLC
Missouri Department of Revenue	321	2/24/2009	Settled	Attn: Yolanda Pendilton Missouri Department of Revenue PO Box 475 Jefferson City, MO 65105	\$95,576.73	\$95,576.73	Administrative Priority	BH S&B Retail LLC
MMP Crossroads, LLC, as successor in interest to Macerich SCG, LP	429	3/10/2009	Settled	MMP Crossroads, LLC Attn: Stephen A. Sherman 117 Park Ave., Suite 4 th Fl. Oklahoma City, OK 73102	\$113,357.27	\$25,166.24	Administrative Priority	BH S&B Retail LLC
Nebraska Department of Revenue	411	3/23/2009	Settled	Nebraska Department of Revenue PO Box 94818 Lincoln, NE 68509-4818	\$2,743.91	\$2,743.91	Administrative Priority	BH S&B Retail LLC
New Edge Networks 125	377	3/18/2009	Settled	New Edge Networks 125 3000 Columbia House Blvd., #106 Vancouver, WA 98661	\$1,100.29	\$1,100.29	Administrative Priority	BH S&B Holdings LLC
Orange and Rockland Utilities Inc.	357	3/13/2009	Settled	Orange and Rockland Utilities Inc. PO Box 1005 Spring Valley, NY 10977	\$14,543.59	\$14,543.59	Administrative Priority	BH S&B Holdings LLC
PCCP IRG Columbus, LLC	565	3/30/2009	Settled	John. A Mase, Esq. Fainsbert Mase & Snyder LLP 11835 West Olympic Blvd., Suite 1000 Los Angeles, CA 90062	\$169,692.14 plus unliquidated amounts	\$161,438.63	Administrative Priority	BH S&B Holdings LLC
Piedmont Natural Gas Company	575	3/30/2009	Settled	Piedmont Natural Gas Company 4339 S. Tryon Street Attn: CBO/Bankruptcy Charlotte, NC 28217-1733	\$7,581.80	\$7,581.80	Administrative Priority	BH S&B Holdings LLC

Claimant Name	Claim No.	Date Filed	Reason for Disallowance	Mailing Address	Admin Claim Amount	Settlement Amount	Asserted Nature	Debtor Name
PSE&G	582	3/30/2009	Settled	PSE&G PO Box 490 Cranford, NJ 07016 Attn: Bankruptcy Dept.	\$18,874.54	\$18,874.54	Administrative Priority	BH S&B Holdings LLC
UGI Penn Natural Gas	486	3/27/2009	Settled	UGI Penn Natural Gas One UGI Center Wilkes Barr, PA 18711 Attn: Patricia Sterner	\$7,147.11	\$7,147.11	Administrative Priority	BH S&B Holdings LLC
Vornado 692 Broadway II LLC	461	3/26/2009	Settled	Vornado 692 Broadway II LLC Attn: Chief Financial Officer 210 Route 4 East Paramus, NJ 07652	\$197,237.01	\$60,000.00	Administrative Priority	BH S&B Retail LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	: Chapter 11
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BH S&B HOLDINGS LLC, <u>et al.</u> ,	: Case No.: 08-14604 (MG)
	:
Debtors.	: Jointly Administered
	:
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**ORDER GRANTING DEBTORS' AND COMMITTEE'S JOINT
THIRD OMNIBUS OBJECTION TO ADMINISTRATIVE CLAIMS**
(Satisfied or Released Administrative Claims)

Upon the joint third omnibus objection (the "Objection")¹ of the Debtors and the Committee to the administrative claims set forth in Exhibit A to the Objection; and the Court having jurisdiction to consider the Objection and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and the Court having found that good and sufficient cause exists for granting the Objection; and upon the record of these Chapter 11 cases and any hearings held to consider the Objection; and it appearing that either the obligation relating to each Proof of Claim set forth in Exhibit A to the Objection has been settled or such Proof of Claim has otherwise been released during these cases, in each case in accordance with the Bankruptcy Code, applicable rules, or Court order; and it appearing that the relief requested in the Objection is appropriate in the context of these cases and in the best interests of the Debtors and their respective estates, their creditors, and all other parties-in-interest; and it

¹ Capitalized terms used but not defined herein shall have the meaning set forth in the Objection.

appearing that notice of the Objection was adequate and proper under the circumstances of these cases, and it appearing that no other or further notice need be given; it is hereby

ORDERED that the Settled or Released Claims listed on Exhibit A to the Objection are hereby disallowed and expunged; and it is further

ORDERED that nothing in the Objection or this Order shall be construed as a waiver of the Debtors' or the Committee's right to object to the Settled or Released Claims on other grounds or to amend the Objection; and it is further

ORDERED that the Debtors and the Committee are authorized to take all actions necessary to effectuate the terms of this Order; and it is further

ORDERED that the terms and conditions of this Order shall be immediately enforceable and effective upon its entry; and it is further

ORDERED that the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2009
New York, New York

HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE